

# M I N U T E S

## PLACER COUNTY DEFERRED COMPENSATION MEETING

Monday, September 23, 2002

Treasurer-Tax Collector's Conference Room

### In attendance:

Jenine Windeshausen, Treasurer-Tax Collector  
Eric Waidmann, Assistant Treasurer-Tax Collector  
Jim Mallery, Deputy Sheriff's Association  
Ann Craig, Personnel  
Tino Guevara, Organizational Development Division  
Marty Walton, CalPERS  
Sylvia Carr-Hall, Public Sector  
Sabrina Thompson, County Counsel's Office  
Allen Klahn, Retired Member Representative  
Kathy Martinis, Auditor-Controller  
Tom Verducci, Hartford Life  
Bob Gleason, Hartford Life  
Tom Howard, Hartford Life  
Janeen DuPree, Personnel  
Therese Leonard, County Executive Office

### I. Call to Order

The meeting was called to order at 2:35 p.m.

### II. Approval of the Minutes

**MOTION** to approve Minutes for the meeting of August 26, 2002  
Klahn/Martinis/Unanimous

### III. Public Comment

Windeshausen introduced Tom Howard, Bob Gleason and Tom Verducci from Hartford Life.

Windeshausen asked Ms. Carr-Hall, a public sector retiree, if she wanted to bring up any questions or concerns. Ms. Carr-Hall stated there was nothing she wanted to address today.

Thompson said she was able to contact an IRS agent regarding the purchase of service credit under the 401k plan. She was told that since the 401k is a qualified plan for the private sector, there is no provision that would allow purchase of service credit.

Craig reported that on June 21<sup>st</sup> the U. S. House of Representatives voted for legislation that would repeal the expiration of EGTRRA. It now moves to the Senate and, if passed, the sunset clause would be eliminated.

Windeshausen suggested putting a topic on a forthcoming agenda to consider the committee's mission and goals with regard to serving the employees of Placer County.

#### **IV. Hardship Request – Closed Session**

None.

#### **V. Hartford Plan Amendment Status**

Thompson stated that she reviewed the Hartford Plan documents from the last meeting and they meet with her approval. They will now be sent to the Board of Supervisors for final approval. The documents include EGTRRA provisions, minimum required distribution language and loan provisions.

#### **VI. Hartford – New Investment Options**

The Hartford representatives gave a presentation on their new investment offerings.

A discussion ensued about the new proposed investments, those investments that are on the Hartford watch list, fiduciary responsibility to the employees of Placer County and waiver of the CDSC charges. There was also discussion about removing some of the high yield bond funds and possibly replacing them with other types of bond funds.

Thompson stated that our process in the past has been to accept Hartford's advice, and this has satisfied the county's fiduciary responsibility.

Windeshausen suggested developing a formal policy statement that stipulates the county will take Hartford's advice in the future.

Bob Gleason will send to Windeshausen a sample investment policy that is currently in place from another client that Hartford works with.

Leonard asked that if we don't add new funds to the lineup, would Hartford still do the mirror image for the 401k and the 457 and the waiver of the CDSC. Hartford will get back to us on this.

**MOTION** to endorse a mirrored platform between the 401k and the 457 plans with the condition that the waiver of the CDSC is included, and to develop a formal statement of policy before making any other changes.  
Martinis/Leonard/Unanimous

## **VII. Employee Education Report**

Tino Guevara from Placer County Organizational Development Division spoke to the group about some of the financial educational opportunities the county would like to put together for employees. Guevara also mentioned that one of the county's service providers, Managed Health Network, did confirm that each employee has five free sessions to attend financial counseling if they request it. There are also some local people that would be interested in giving a presentation to employees on how to invest and what to invest in.

Bob Gleason reported that Hartford is in the process of developing some educational seminars that will be offered after the first of the year. These seminars have specific topics about the various pieces of someone's financial education. They are called "Planning for Life Series".

Windeshausen gave an update from the subcommittee on education. They talked about college planning, investing, all types of insurance, estate planning, wills, trusts and tax planning.

## **VIII. Plan Portfolios for Quarter Ending 6/30/02**

The Hartford plan performance for 6/30/02 has been submitted to the committee members. The CalPERS plan performance is forthcoming.

## **IX. Notification to Retirees Using SWO Options – Status**

Craig reported that moving from the quarterly to the monthly confirmation statement is planned for installation in the first quarter of next year for those retirees taking advantage of the Survivor Withdrawal Option. Participants interested in the monthly statement should contact Hartford and let them know. Craig will get this information out to the retirees.

**X. Interest Rates on Loans Against 457 and 401k**

The interest loan rate for employees borrowing against the 457 and the 401k for both Hartford and CalPERS stands at prime plus 2. There was no discussion to change it at this time.

**XI. Adjournment**

The meeting was adjourned at 4:20 p.m.